

**CULTURAL SURVIVAL, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED AUGUST 31, 2024 AND 2023**



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**CULTURAL SURVIVAL, INC.**  
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**YEARS ENDED AUGUST 31, 2024 AND 2023**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Cultural Survival, Inc.  
Cambridge, Massachusetts

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the accompanying financial statements of Cultural Survival, Inc. (a nonprofit organization), which comprise the statements of financial position as of August 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cultural Survival, Inc., as of August 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cultural Survival, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cultural Survival, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of and Cultural Survival, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Cultural Survival, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



**CliftonLarsonAllen LLP**

Boston, Massachusetts  
May 20, 2025

**CULTURAL SURVIVAL, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AUGUST 31, 2024 AND 2023**

|  | <u>2024</u>                 | <u>2023</u>                 |
|--|-----------------------------|-----------------------------|
| <b>ASSETS</b>                                      |                             |                             |
| <b>CURRENT ASSETS</b>                              |                             |                             |
| Cash and Cash Equivalents                          | \$ 16,153,390               | \$ 11,835,443               |
| Investments  | 404,065                     | 1,759,002                   |
| Grants Receivable, Current Portion                 | 560,000                     | 600,000                     |
| Prepaid Expenses and Other Assets                  | 4,127                       | 4,120                       |
| Total Current Assets                               | <u>17,121,582</u>           | <u>14,198,565</u>           |
| <b>GRANTS RECEIVABLE, NET OF CURRENT PORTION</b>   | 20,000                      | 500,000                     |
| <b>PROPERTY AND EQUIPMENT</b>                      |                             |                             |
| Equipment and Furniture                            | 23,752                      | 23,752                      |
| Software   | 19,720                      | 19,720                      |
| Subtotal   | <u>43,472</u>               | <u>43,472</u>               |
| Less: Accumulated Depreciation                     | 43,472                      | 43,472                      |
| Net Property and Equipment                         | -                           | -                           |
| <b>RIGHT-OF-USE (ROU) ASSET - OPERATING</b>        | 61,494                      | 90,289                      |
| <b>ENDOWMENT INVESTMENTS</b>                       | <u>66,054</u>               | <u>56,054</u>               |
| Total Assets                                       | <u><u>\$ 17,269,130</u></u> | <u><u>\$ 14,844,908</u></u> |
| <b>LIABILITIES AND NET ASSETS</b>                  |                             |                             |
| <b>LIABILITIES</b>                                 |                             |                             |
| Accounts Payable                                   | \$ 6,654                    | \$ 6,654                    |
| Accrued Expenses                                   | 191,564                     | 147,599                     |
| ROU Lease Liability - Operating, Current Portion   | <u>15,758</u>               | <u>28,068</u>               |
| Total Current Liabilities                          | 213,976                     | 182,321                     |
| <b>ROU LEASE LIABILITY, NET OF CURRENT PORTION</b> | <u>46,751</u>               | <u>62,510</u>               |
| Total Liabilities                                  | 260,727                     | 244,831                     |
| <b>NET ASSETS</b>                                  |                             |                             |
| Without Donor Restrictions:                        |                             |                             |
| Undesignated                                       | 13,778,586                  | 10,403,692                  |
| Board Designated                                   | 54,800                      | -                           |
| Total Without Donor Restrictions                   | <u>13,833,386</u>           | <u>10,403,692</u>           |
| With Donor Restrictions:                           |                             |                             |
| Purpose and Time Restrictions                      | 3,108,963                   | 4,140,331                   |
| Endowment Fund                                     | 66,054                      | 56,054                      |
| Total With Donor Restrictions                      | <u>3,175,017</u>            | <u>4,196,385</u>            |
| Total Net Assets                                   | <u><u>17,008,403</u></u>    | <u><u>14,600,077</u></u>    |
| Total Liabilities and Net Assets                   | <u><u>\$ 17,269,130</u></u> | <u><u>\$ 14,844,908</u></u> |

See accompanying Notes to Financial Statements.

**CULTURAL SURVIVAL, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED AUGUST 31, 2024**

|   | Without Donor<br>Restrictions | With Donor Restrictions |                   |                      |
|---|-------------------------------|-------------------------|-------------------|----------------------|
|   |                               | Purpose<br>Restricted   | Endowment<br>Fund | Total                |
| <b>REVENUE, SUPPORT, AND GAINS</b>                |                               |                         |                   |                      |
| Contributions and Subscriptions                   | \$ 1,130,121                  | \$ 405,257              | \$ 10,000         | \$ 1,545,378         |
| Grant Revenue                                     | 2,899,625                     | 5,110,765               | -                 | 8,010,390            |
| Investment Income, Net                            | 503,769                       | -                       | -                 | 503,769              |
| Bazaar Income                                     | 443,872                       | -                       | -                 | 443,872              |
| Realized and Unrealized Gains on Investments, Net | -                             | -                       | -                 | -                    |
| Sales of Publications                             | 2,396                         | -                       | -                 | 2,396                |
| Total Support and Other Income                    | 4,979,783                     | 5,516,022               | 10,000            | 10,505,805           |
| Net Assets Released from Restrictions             | 6,547,390                     | (6,547,390)             | -                 | -                    |
| Total Revenue, Support, and Gains                 | 11,527,173                    | (1,031,368)             | 10,000            | 10,505,805           |
| <b>EXPENSES AND LOSSES</b>                        |                               |                         |                   |                      |
| Program Services Expense:                         |                               |                         |                   |                      |
| Programs and Publications                         | 6,829,431                     | -                       | -                 | 6,829,431            |
| Supporting Services Expense:                      |                               |                         |                   |                      |
| General and Administrative                        | 962,161                       | -                       | -                 | 962,161              |
| Fundraising and Development                       | 305,887                       | -                       | -                 | 305,887              |
| Total Supporting Services Expenses                | 1,268,048                     | -                       | -                 | 1,268,048            |
| Total Expenses                                    | 8,097,479                     | -                       | -                 | 8,097,479            |
| <b>CHANGE IN NET ASSETS</b>                       | 3,429,694                     | (1,031,368)             | 10,000            | 2,408,326            |
| Net Assets - Beginning of Year                    | 10,403,692                    | 4,140,331               | 56,054            | 14,600,077           |
| <b>NET ASSETS - END OF YEAR</b>                   | <u>\$ 13,833,386</u>          | <u>\$ 3,108,963</u>     | <u>\$ 66,054</u>  | <u>\$ 17,008,403</u> |

See accompanying Notes to Financial Statements.

**CULTURAL SURVIVAL, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED AUGUST 31, 2023**

|   | Without Donor<br>Restrictions | With Donor Restrictions |                   |                      |
|---|-------------------------------|-------------------------|-------------------|----------------------|
|   |                               | Purpose<br>Restricted   | Endowment<br>Fund | Total                |
| <b>REVENUE, SUPPORT, AND GAINS</b>                |                               |                         |                   |                      |
| Contributions and Subscriptions                   | \$ 6,516,880                  | \$ 550,000              | \$ 5,000          | \$ 7,071,880         |
| Grant Revenue                                     | 1,821,979                     | 6,641,209               | -                 | 8,463,188            |
| Investment Income                                 | 66,035                        | -                       | -                 | 66,035               |
| Realized and Unrealized Gains on Investments, Net | 82,117                        | -                       | -                 | 82,117               |
| Sales of Publications                             | 2,648                         | -                       | -                 | 2,648                |
| Program Loans                                     | -                             | -                       | -                 | -                    |
| Other Income                                      | -                             | -                       | -                 | -                    |
| Total Support and Other Income                    | 8,489,659                     | 7,191,209               | 5,000             | 15,685,868           |
| Net Assets Released from Restriction              | 5,411,270                     | (5,411,270)             | -                 | -                    |
| Total Revenue, Support, and Gains                 | 13,900,929                    | 1,779,939               | 5,000             | 15,685,868           |
| <b>EXPENSES AND LOSSES</b>                        |                               |                         |                   |                      |
| Program Services Expense:                         |                               |                         |                   |                      |
| Programs and Publications                         | 5,311,757                     | -                       | -                 | 5,311,757            |
| Supporting Services Expense:                      |                               |                         |                   |                      |
| Management and General                            | 575,795                       | -                       | -                 | 575,795              |
| Fundraising and Development                       | 230,466                       | -                       | -                 | 230,466              |
| Total Supporting Services Expenses                | 806,261                       | -                       | -                 | 806,261              |
| Total Expenses and Losses                         | 6,118,018                     | -                       | -                 | 6,118,018            |
| <b>CHANGE IN NET ASSETS</b>                       | 7,782,911                     | 1,779,939               | 5,000             | 9,567,850            |
| Net Assets - Beginning of Year                    | 2,620,781                     | 2,360,392               | 51,054            | 5,032,227            |
| <b>NET ASSETS - END OF YEAR</b>                   | <u>\$ 10,403,692</u>          | <u>\$ 4,140,331</u>     | <u>\$ 56,054</u>  | <u>\$ 14,600,077</u> |

See accompanying Notes to Financial Statements.

**CULTURAL SURVIVAL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED AUGUST 31, 2024**

|                                   |                           | Supporting Services                       |  |                        |
|-----------------------------------|---------------------------|---|--|------------------------|
|                                   | Total Program<br>Expenses | General and<br>Administrative<br>Expenses | Fundraising and<br>Development<br>Programs | Total 2024<br>Expenses |
| Direct Support, Including Grants  | \$ 3,346,412              | \$ -                                      | \$ -                                       | \$ 3,346,412           |
| Salaries                          | 1,878,748                 | -   | 241,481                                    | 2,120,229              |
| Payroll Taxes and Fringe Benefits | 296,241                   | 524,535                                   | 38,723                                     | 859,499                |
| Consultants                       | 441,483                   | 84,112                                    | -  | 525,595                |
| Indigenous Crafts Bazaar          | 58,256                    | 56,202                                    | -  | 114,458                |
| Postages and Shipping             | 362                       | 27  | 1,578                                      | 1,967                  |
| Printing and Copying              | 29,564                    | 1,399                                     | 6,023                                      | 36,986                 |
| Bank and Credit Card Fees         | 26,568                    | 7,175                                     | 9,184                                      | 42,927                 |
| Dues and Subscriptions            | -                         | -   | 3,103                                      | 3,103                  |
| Office Expenses                   | 401                       | 51,971                                    | 86   | 52,458                 |
| Professional Fees                 | 77,700                    | 46,513                                    | 1,000                                      | 125,213                |
| Telephone                         | 3,672                     | -   | 426  | 4,098                  |
| Marketing Expenses                | 12,226                    | 68  | 1,209                                      | 13,503                 |
| Travel, Meals, and Entertainment  | 501,666                   | 137,886                                   | 1,435                                      | 640,987                |
| Utilities and Internet            | 7,953                     | 7,022                                     | 1,435                                      | 16,410                 |
| Insurance                         | -                         | 17,063                                    | -  | 17,063                 |
| Other Expenses                    | 148,179                   | 28,188                                    | 204  | 176,571                |
| Total                             | <u>\$ 6,829,431</u>       | <u>\$ 962,161</u>                         | <u>\$ 305,887</u>                          | <u>\$ 8,097,479</u>    |

See accompanying Notes to Financial Statements.



**CULTURAL SURVIVAL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)**  
**YEAR ENDED AUGUST 31, 2024**

| Expenses by Program               | Advocacy          | Capacity<br>Building | Communications    | Community<br>Media | Indigenous<br>Rights<br>Radio | Keepers of<br>the Earth | Special<br>Projects | Other<br>Programs | Total<br>Program<br>Expenses |
|-----------------------------------|-------------------|----------------------|-------------------|--------------------|-------------------------------|-------------------------|---------------------|-------------------|------------------------------|
| Direct Support, Including Grants  | \$ 13,000         | \$ 129,520           | \$ 8,000          | \$ 498,000         | \$ -                          | \$ 539,192              | \$ 1,921,200        | \$ 237,500        | \$ 3,346,412                 |
| Indigenous Crafts Bazaar          | -                 | -                    | -                 | -                  | -                             | -                       | -                   | 58,256            | 58,256                       |
| Salaries                          | 338,495           | 123,621              | 365,920           | 192,116            | 127,724                       | 125,662                 | 206,226             | 398,984           | 1,878,748                    |
| Payroll Taxes and Fringe Benefits | 54,279            | 19,823               | 58,678            | 30,807             | 20,481                        | 20,150                  | 33,069              | 58,954            | 296,241                      |
| Consultants                       | 235,092           | 66,067               | 96,315            | 17,392             | 3,600                         | -                       | -                   | 23,017            | 441,483                      |
| Postages and Shipping             | -                 | -                    | 362               | -                  | -                             | -                       | -                   | -                 | 362                          |
| Printing and Copying              | -                 | -                    | 11,462            | -                  | -                             | -                       | -                   | 18,102            | 29,564                       |
| Bank and Credit Card Fees         | 4,447             | 4,337                | 4,625             | 4,259              | 3,776                         | 3,779                   | 475                 | 870               | 26,568                       |
| Dues and Subscriptions            | -                 | -                    | -                 | -                  | -                             | -                       | -                   | -                 | -                            |
| Office Expenses                   | -                 | -                    | 401               | -                  | -                             | -                       | -                   | -                 | 401                          |
| Professional Fees                 | 4,710             | 19,645               | 29,595            | 3,690              | 2,940                         | 2,190                   | -                   | 14,930            | 77,700                       |
| Telephone                         | 357               | 176                  | 985               | 1,205              | 544                           | 180                     | -                   | 225               | 3,672                        |
| Marketing Expenses                | -                 | -                    | 11,823            | -                  | -                             | -                       | -                   | 403               | 12,226                       |
| Travel, Meals, and Entertainment  | 129,521           | 182,388              | 29,900            | 19,871             | 6,271                         | 20,385                  | -                   | 113,330           | 501,666                      |
| Utilities and Internet            | 1,459             | 896                  | 2,291             | 1,038              | 1,074                         | 632                     | -                   | 563               | 7,953                        |
| Insurance                         | -                 | -                    | -                 | -                  | -                             | -                       | -                   | -                 | -                            |
| Other Expenses                    | 10,364            | 2,593                | 4,803             | 3,806              | 4,623                         | 295                     | 121,575             | 120               | 148,179                      |
| Total Program Expenses            | <u>\$ 791,724</u> | <u>\$ 549,066</u>    | <u>\$ 625,160</u> | <u>\$ 772,184</u>  | <u>\$ 171,033</u>             | <u>\$ 712,465</u>       | <u>\$ 2,282,545</u> | <u>\$ 925,254</u> | <u>\$ 6,829,431</u>          |

See accompanying Notes to Financial Statements.

**CULTURAL SURVIVAL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED AUGUST 31, 2023**

|                            |                           | Supporting Services                       |  |                        |
|----------------------------|---------------------------|---|--|------------------------|
|                            | Total Program<br>Expenses | General and<br>Administrative<br>Expenses | Fundraising and<br>Development<br>Programs | Total 2023<br>Expenses |
| Direct Support and Grants  | \$ 3,058,831              | \$ 7,500                                  | \$ -                                       | \$ 3,066,331           |
| Salaries                   | 1,157,201                 | 279,310                                   | 112,378                                    | 1,548,889              |
| Payroll Taxes and Benefits | 175,317                   | 28,356                                    | 37,517                                     | 241,190                |
| Consultants                | 229,920                   | -   | 6,750                                      | 236,670                |
| Postages and Shipping      | 5,079                     | 1,619                                     | 11,458                                     | 18,156                 |
| Printing and Copying       | 14,486                    | 244                                       | 9,212                                      | 23,942                 |
| Bank and Credit Card Fees  | 16,561                    | 8,398                                     | 7,234                                      | 32,193                 |
| Dues and Subscriptions     | -                         | -   | 3,700                                      | 3,700                  |
| Office Expenses            | 7,528                     | 57,875                                    | -  | 65,403                 |
| Professional Fees          | 99,101                    | 65,239                                    | 1,969                                      | 166,309                |
| Telephone                  | 1,587                     | 7,777                                     | 183  | 9,547                  |
| Marketing Expenses         | 9,183                     | -   | -  | 9,183                  |
| Travel and Meals           | 454,658                   | 49,310                                    | 37,572                                     | 541,540                |
| Utilities and Internet     | 11,008                    | 2,718                                     | 412  | 14,138                 |
| Insurance                  | -                         | 14,375                                    | -  | 14,375                 |
| Other Expenses             | 71,297                    | 53,074                                    | 2,081                                      | 126,452                |
| Total                      | <u>\$ 5,311,757</u>       | <u>\$ 575,795</u>                         | <u>\$ 230,466</u>                          | <u>\$ 6,118,018</u>    |

See accompanying Notes to Financial Statements.

**CULTURAL SURVIVAL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)**  
**YEAR ENDED AUGUST 31, 2023**

| Expenses by Program               | Advocacy            | Capacity<br>Building | Communications    | Community<br>Media | Indigenous<br>Rights<br>Radio | Keepers of<br>the Earth | Special<br>Projects | Other<br>Programs | Total<br>Program<br>Expenses |
|-----------------------------------|---------------------|----------------------|-------------------|--------------------|-------------------------------|-------------------------|---------------------|-------------------|------------------------------|
| Direct Support, Including Grants  | \$ 737,000          | \$ 139,535           | \$ -              | \$ 476,064         | \$ -                          | \$ 568,782              | \$ 1,137,450        | \$ -              | \$ 3,058,831                 |
| Indigenous Crafts Bazaar          | 264,917             | 109,797              | 97,147            | 196,043            | 126,002                       | -                       | -                   | -                 | 793,906                      |
| Salaries                          | 42,387              | 17,905               | 16,577            | 23,334             | 9,013                         | 165,562                 | 173,681             | 24,052            | 472,511                      |
| Payroll Taxes and Fringe Benefits | 116,848             | 54,301               | 24,035            | 3,769              | 450                           | 22,906                  | 38,758              | 4,437             | 265,504                      |
| Consultants                       | -                   | -                    | 139               | -                  | -                             | 900                     | -                   | 29,617            | 30,656                       |
| Postages and Shipping             | -                   | -                    | 720               | 634                | -                             | -                       | -                   | 4,940             | 6,294                        |
| Printing and Copying              | 2,686               | 2,415                | 1,924             | 4,258              | 1,644                         | -                       | -                   | 13,132            | 26,059                       |
| Bank and Credit Card Fees         | -                   | -                    | -                 | -                  | -                             | 3,064                   | 70                  | 500               | 3,634                        |
| Dues and Subscriptions            | -                   | -                    | 88                | -                  | -                             | -                       | -                   | -                 | 88                           |
| Office Expenses                   | 7,879               | 14,536               | 26,022            | 760                | 48,074                        | -                       | -                   | 7,440             | 104,711                      |
| Professional Fees                 | 99                  | 100                  | 477               | 573                | 220                           | 30                      | -                   | 1,800             | 3,299                        |
| Telephone                         | -                   | -                    | 9,183             | -                  | -                             | 118                     | -                   | -                 | 9,301                        |
| Marketing Expenses                | 205,063             | 71,109               | 5,060             | 78,971             | 5,728                         | -                       | -                   | -                 | 365,931                      |
| Travel, Meals, and Entertainment  | 597                 | 550                  | 7,287             | 1,778              | 302                           | 22,288                  | -                   | 66,439            | 99,241                       |
| Utilities and Internet            | -                   | -                    | -                 | -                  | -                             | 494                     | -                   | -                 | 494                          |
| Insurance                         | -                   | -                    | -                 | -                  | -                             | -                       | -                   | -                 | -                            |
| Other Expenses                    | 8,387               | 699                  | 21,335            | 560                | 2,484                         | 1,007                   | 31,082              | 5,743             | 71,297                       |
| Total Program Expenses            | <u>\$ 1,385,863</u> | <u>\$ 410,947</u>    | <u>\$ 209,994</u> | <u>\$ 786,744</u>  | <u>\$ 193,917</u>             | <u>\$ 785,151</u>       | <u>\$ 1,381,041</u> | <u>\$ 158,100</u> | <u>\$ 5,311,757</u>          |

See accompanying Notes to Financial Statements.

**CULTURAL SURVIVAL, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED AUGUST 31, 2024 AND 2023**

|  | <u>2024</u>                 | <u>2023</u>                 |
|--|-----------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>          |                             |                             |
| Change in Net Assets                                 | \$ 2,408,326                | \$ 9,567,850                |
| Adjustments to Reconcile Change in Net Assets to Net |                             |                             |
| Cash Provided by Operating Activities:               |                             |                             |
| Noncash Lease Expense                                | 719                         | 289                         |
| Contributed Stock                                    | (10,739)                    | (12,672)                    |
| Unrealized Gains Losses on Investments               | (10,104)                    | (21,317)                    |
| Changes in Operating Assets and Liabilities:         |                             |                             |
| Grants Receivable                                    | 520,000                     | (375,000)                   |
| Accrued Expenses and Accounts Payable                | 43,965                      | 48,718                      |
| Net Cash Provided by Operating Activities            | <u>2,952,167</u>            | <u>9,207,868</u>            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>          |                             |                             |
| Purchases of Investments                             | (26,390)                    | (2,203,634)                 |
| Proceeds from Sales of Investments                   | 1,392,170                   | 1,221,375                   |
| Net Cash Provided (Used) by Operating Activities     | <u>1,365,780</u>            | <u>(982,259)</u>            |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>       | 4,317,947                   | 8,225,609                   |
| Cash and Cash Equivalents - Beginning of Year        | <u>11,835,443</u>           | <u>3,609,834</u>            |
| <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>       | <u><u>\$ 16,153,390</u></u> | <u><u>\$ 11,835,443</u></u> |

See accompanying Notes to Financial Statements.

**CULTURAL SURVIVAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 1    PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Cultural Survival, Inc. (the Organization) is a nonprofit 501 (c)(3) nongovernmental organization that was founded in 1972 to promote the rights, voices, and visions of Indigenous Peoples around the world. Through education forums, cutting-edge and widely read publications, research, projects, advocacy, partnerships, and an interactive web site. The Organization works towards a world in which Indigenous Peoples are able to determine their own futures on their own lands. It further works as a medium through which Indigenous Peoples can network with other groups facing similar problems and with other organizations that can help to ensure that their human rights, including their right to self-determination, are protected, and promoted.

**Basis of Accounting**

The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

**Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

**Cash and Cash Equivalents**

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

**Promises to Give**

The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. The Organization determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. At August 31, 2024 and 2023, there was no allowance for uncollectible promises to give as management believed receivables were fully collectible.

**CULTURAL SURVIVAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 1    PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Property and Equipment**

The Organization records property and equipment additions over \$2,500 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from three to five years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed when incurred.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended August 31, 2024 and 2023.

As of August 31, 2024 and 2023, all property and equipment was fully depreciated and, therefore, there was no depreciation expense incurred during the year.

**Investments**

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return (loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions that may be designated for specific purposes by action of the board of trustees (the board). The board has designated an amount as a quasi-endowment as disclosed in Note 4.

**CULTURAL SURVIVAL, INC.  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2024 AND 2023**

**NOTE 1    PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Net Assets (Continued)**

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purposes for which the resources was restricted has been fulfilled, or both. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Net Assets with donor restrictions are further classified as follows:

- Purpose and Time Restricted Funds – represent net assets subject to donor-imposed restrictions that will be met by the passage of events specified by the donor.
- Perpetual in Nature – represent net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization.

**Revenue and Revenue Recognition**

To determine revenue recognition for the arrangements that the Organization determines are within the scope of *Topic 606*, the Organization performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligation(s) in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligation(s) in the contract, and (5) recognize revenue when the Organization satisfies a performance obligation. Indigenous crafts bazaar income and sales of publications are recognized as revenue without restrictions over time when the goods, service, or event occurs. There were no contract assets or liabilities related to *Topic 606* revenue in 2024 or 2023.

The Organization receives grants and contributions from various donors and grantors, including unconditional promises to give, that are recognized as revenue in the period received. Conditional grants, contributions, and promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. There were no conditional grants as of August 31, 2024 and 2023.

**CULTURAL SURVIVAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 1    PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Donated Goods and Services**

Donated services are recognized as contributions in accordance with professional standards if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization receives donated services from a variety of unpaid volunteers assisting the Organization with administering its indigenous advocacy programs. However, none of this has been recognized in the accompanying statements of activities because the volunteer activities do not meet the criteria for recognition of such volunteer effort under auditing standards generally accepted in the United States of America.

**Advertising Costs**

Advertising costs are expensed as incurred and approximated \$13,503 and \$9,183 during the years ended August 31, 2024 and 2023, respectively.

**Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, benefits, payroll taxes, professional services, office expenses, consultants, and other, which are allocated on the basis of estimates of time and effort.

**Leases**

The Organization leases office and storage space that are utilized in operating activities. The operating lease is included in operating right-of-use (ROU) assets, current operating lease liabilities, and long-term operating lease liabilities on the statements of financial position. ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.



**CULTURAL SURVIVAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 1    PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Leases (Continued)**

The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position. The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component. In determining the discount rate used to measure the right-of-use asset and lease liability, the Organization uses rates implicit in the lease, or if not readily available, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

**Income Taxes**

Cultural Survival, Inc. is organized as a Massachusetts nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code (IRC) Section 501(a) as organizations described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and has been determined not to be a private foundation under IRC Sections 509(a)(1). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. The Organization does not believe it is subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS. Management has evaluated the tax positions taken on returns for open years and those expected to be taken on the returns for the years ended August 31, 2024 and 2023. It is management's belief that such tax positions are more likely than not to be sustained upon examination by tax authorities. Accordingly, no liability for uncertain tax positions has been reflected in these financial statements. Returns for tax years beginning with those filed for the year ended August 31, 2021 are open to examination.

**Financial Instruments and Credit Risk**

The Organization manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from foundations supportive of the mission.

**CULTURAL SURVIVAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Adoption of New Accounting Standard**

Effective January 1, 2023, the Organization adopted the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. The Organization adopted this new guidance utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the Organization's financial statements but did change how the allowance for credit losses is determined.

**Subsequent Events**

The Organization has evaluated subsequent events through May 20, 2025, the date the financial statements were available to be issued.

**NOTE 2 AVAILABLE RESOURCES AND LIQUIDITY**

The Organization monitors liquidity required to meet its operating needs. The Organization's sources of liquidity include cash and cash equivalents, grants receivable, and investments.

For the purpose of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing program activities to be general expenditures.

Financial assets are comprised of the following as of August 31:

|   | 2024                 | 2023                 |
|---|----------------------|----------------------|
| Cash and Cash Equivalents                           | \$ 16,153,390        | \$ 11,835,443        |
| Grants Receivable, Current Portion                  | 560,000              | 600,000              |
| Investments   | 470,119              | 1,815,056            |
| Total Financial Assets                              | 16,623,509           | 13,650,499           |
| Less: Endowment Restricted Investments              | (120,854)            | (56,054)             |
| Less: Net Assets with Purpose Restrictions          | (2,528,963)          | (3,040,331)          |
| Financial Assets Available for Use<br>in Operations | <u>\$ 13,973,692</u> | <u>\$ 10,554,114</u> |

**CULTURAL SURVIVAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 3 FAIR VALUE MEASUREMENTS AND DISCLOSURES**

The Organization reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs are inputs that reflect the Organization's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

*Level 1* – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization can access at the measurement date.

*Level 2* – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

*Level 3* – Unobservable inputs for the asset or liability. In these situations, the Organization develop inputs using the best information available in the circumstances.

For purposes of financial reporting, the Organization has determined that the fair values of its financial instruments, which include cash and cash equivalents and publicly traded domestic mutual funds, approximate the carrying values under Level 1 at August 31, 2024 and 2023, based on their short maturities and/or the terms available to the Organization in the financial market.

The following table presents assets measured at fair value on a recurring basis at August 31:

| 2024               |                     |                     |             |             |
|--------------------|---------------------|---------------------|-------------|-------------|
|                    | Total               | Level 1             | Level 2     | Level 3     |
| Money Market Funds | \$ 455,191          | \$ 455,191          | \$ -        | \$ -        |
| Mutual Funds       | 11,229              | 11,229              | -           | -           |
| Equities           | 3,699               | 3,699               | -           | -           |
| Total              | <u>\$ 470,119</u>   | <u>\$ 470,119</u>   | <u>\$ -</u> | <u>\$ -</u> |
| 2023               |                     |                     |             |             |
|                    | Total               | Level 1             | Level 2     | Level 3     |
| Money Market Funds | \$ 1,812,483        | \$ 1,812,483        | \$ -        | \$ -        |
| Equities           | 2,573               | 2,573               | -           | -           |
| Total              | <u>\$ 1,815,056</u> | <u>\$ 1,815,056</u> | <u>\$ -</u> | <u>\$ -</u> |

**CULTURAL SURVIVAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 4    ENDOWMENT**

The Organization's endowment fund consists of donations with donor restrictions that are perpetual in nature. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of perpetual donor-imposed restrictions.

The board of directors has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds unless there are explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. the Organization considered the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

Changes in Endowment net assets for the years ended August 31, 2024 and 2023 are as follows:

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total             |
|--|-------------------------------|----------------------------|-------------------|
| Endowment Net Assets - September 1, 2022 | \$ -                          | \$ 51,054                  | \$ 51,054         |
| Investment Return, Net                   | -                             | 5,000                      | 5,000             |
| Endowment Net Assets - August 31, 2023   | -                             | 56,054                     | 56,054            |
| Contributions                            | -                             | 10,000                     | 10,000            |
| Designation by Board of Trustees         | 54,800                        | -                          | 54,800            |
| Endowment Net Assets - August 31, 2024   | <u>\$ 54,800</u>              | <u>\$ 66,054</u>           | <u>\$ 120,854</u> |

As of August 31, 2024 and 2023, the endowment consisted of money market funds.

**CULTURAL SURVIVAL, INC.  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2024 AND 2023**

**NOTE 4    ENDOWMENT (CONTINUED)**

**Fund Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. There are no such fund deficiencies as of August 31, 2024 or 2023. The Organization has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law.

**Return Objectives and Risk Parameters**

The Organization has not adopted formal investment policies; however, has taken a conservative approach to investments to minimize risk. The strategy and portfolio are reviewed by the board and management during the year. All funds selected are relatively liquid.

**Strategies Employed for Achieving Objectives**

To satisfy objectives, the Organization targets a conservative asset allocation that places a greater emphasis on investments with readily available markets to achieve its long-term objectives within prudent constraints. The Organization's governing body reviews the portfolio and investments regularly during the year.

**Spending Policy**

The Organization has adopted a policy to allow this fund to grow and decided not to use endowment income (interest, dividends, realized gains and losses and changes in unrealized appreciation). Appropriations for expenditure from this fund will be subject to board approval.

**CULTURAL SURVIVAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 5 RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES**

Net assets with donor restrictions are as follows for the year ended August 31, 2024:

|   | Beginning<br>of Year | Additions    | Releases     | Ending<br>Balance |
|---|----------------------|--------------|--------------|-------------------|
| Purpose Restricted:                         |                      |              |              |                   |
| Community Media                             | \$ 58,539            | \$ 555,825   | \$ 180,248   | \$ 434,116        |
| Indigenous Rights Radio                     | -                    | 167,825      | 52,380       | 115,445           |
| Special Projects                            | 609,233              | 2,199,257    | 2,493,433    | 315,057           |
| Xavante                                     | 468,965              | -            | 15,057       | 453,908           |
| Other                                       | -                    | 317,500      | 317,500      | -                 |
| Advocacy                                    | 572,620              | 369,000      | 868,435      | 73,185            |
| Capacity Building                           | 586,236              | 836,825      | 848,016      | 575,045           |
| Keepers of the Earth                        | 463,926              | 617,025      | 711,356      | 369,595           |
| Indigenous Bazaar                           | 38,000               | 25,000       | 58,200       | 4,800             |
| Communications                              | 242,812              | 347,764      | 402,764      | 187,812           |
| Total                                       | 3,040,331            | 5,436,021    | 5,947,389    | 2,528,963         |
| Time Restricted:                            |                      |              |              |                   |
| Grants for Future Periods                   | 1,100,000            | 80,000       | 600,000      | 580,000           |
| Perpetual in Nature:                        |                      |              |              |                   |
| Endowment Fund                              | 50,300               | 10,000       | -            | 60,300            |
| Investment Income                           | 5,754                | -            | -            | 5,754             |
| Total                                       | 56,054               | 10,000       | -            | 66,054            |
| Total Net Assets with<br>Donor Restrictions | \$ 4,196,385         | \$ 5,526,021 | \$ 6,547,389 | \$ 3,175,017      |

Net assets with donor restrictions are as follows for the year ended August 31, 2023:

|   | Beginning<br>of Year | Additions    | Releases     | Ending<br>Balance |
|---|----------------------|--------------|--------------|-------------------|
| Purpose Restricted:                         |                      |              |              |                   |
| Community Media                             | \$ 419,924           | \$ 304,337   | \$ 665,722   | \$ 58,539         |
| Indigenous Rights Radio                     | 87,507               | -            | 87,507       | -                 |
| Special Projects                            | 85,883               | 2,241,200    | 1,717,850    | 609,233           |
| Xavante                                     | -                    | 500,000      | 31,035       | 468,965           |
| Other                                       | 19,014               | -            | 19,014       | -                 |
| Advocacy                                    | 202,498              | 735,736      | 365,614      | 572,620           |
| Capacity Building                           | 78,965               | 1,002,336    | 495,065      | 586,236           |
| Keepers of the Earth                        | 648,101              | 495,100      | 679,275      | 463,926           |
| Indigenous Bazaar                           | 33,000               | 5,000        | -            | 38,000            |
| Communications                              | 65,500               | 407,500      | 230,188      | 242,812           |
| Total                                       | 1,640,392            | 5,691,209    | 4,291,270    | 3,040,331         |
| Time Restricted:                            |                      |              |              |                   |
| Grants for Future Periods                   | 720,000              | 1,500,000    | 1,120,000    | 1,100,000         |
| Perpetual in Nature:                        |                      |              |              |                   |
| Endowment Fund                              | 45,300               | 5,000        | -            | 50,300            |
| Investment Income                           | 5,754                | -            | -            | 5,754             |
| Total                                       | 51,054               | 5,000        | -            | 56,054            |
| Total Net Assets with<br>Donor Restrictions | \$ 2,411,446         | \$ 7,196,209 | \$ 5,411,270 | \$ 4,196,385      |

**CULTURAL SURVIVAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 6 RETIREMENT ARRANGEMENT WITH STAFF EMPLOYEES**

The Organization offers staff employees the opportunity for participation in a Simple IRA contributory retirement plan approved by the Internal Revenue Service (IRS). The Organization matches employees' contributions at 6% of their regular salary, up to the amount of their contribution. The expense to the Organization under this plan for the years ended August 31, 2024 and 2023 was \$86,089 and \$53,346, respectively.

**NOTE 7 CONCENTRATION OF CREDIT RISK**

Financial Instruments that potentially subject the Organization to significant concentrations of credit risk consists primarily of cash, cash equivalents, and short-term investments.

The Organization maintains its cash and cash equivalents in banks and investment brokerage deposit and money market accounts which, at times, may exceed federally insured limits. As of August 31, 2024 and 2023, the Organization had approximately \$15,893,908 and \$11,591,896, respectively, in cash that exceed the Federal Deposit Insurance Corporation limit. The Organization has not experienced any losses in such accounts. The Organization's management believes it is not exposed to any significant credit risk on cash and cash equivalents.

For the year ended August 31, 2024, 68%, or \$5,125,000, of grant income was obtained from two grantors, which was fully collected during 2024. In addition, 60% of contributions, or \$860,000, was received from one contributor. For the year ended August 31, 2023, 38%, or \$3,250,000, of grant income was obtained from one grantor, and 50% of contributions, or \$725,300, was received from two contributors.

**NOTE 8 GRANTS RECEIVABLE**

The Organization has unconditional grants receivable from grantors. Future payments of grants receivable are due as follows as of August 31:

|                     | 2024              | 2023                |
|---------------------|-------------------|---------------------|
| Due within One Year | \$ 560,000        | \$ 600,000          |
| Due in 2-5 Years    | 20,000            | 500,000             |
| Total               | <u>\$ 580,000</u> | <u>\$ 1,100,000</u> |

The grants are expected to be fully collected and, therefore, there is no allowance on the accounts. Further, the present value discount of the receivables aged over one year was not recorded as it was deemed immaterial by the Organization.

**CULTURAL SURVIVAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 9 LEASES – ASC 842**

The Organization leases office and storage spaces used in operating activities under long-term noncancelable operating lease agreements. The leases expire at varying dates through 2028. Operating lease costs are included in Office Expenses in the accompanying statements of functional expenses.

The following tables provide quantitative information concerning the Organization's leases for the year ended August 31, 2024:

|  | <u>2024</u>      | <u>2023</u>      |
|--|------------------|------------------|
| Lease Costs:   |                  |                  |
| Operating Lease Costs  | \$ 31,068        | \$ 46,598        |
| Total Lease Costs  | <u>\$ 31,068</u> | <u>\$ 46,598</u> |
| Other Information:   |                  |                  |
| Cash Paid for Amounts Included in the Measurement of Lease Liabilities:      |                  |                  |
| Operating Cash Flows from Operating Leases                                   | \$ 30,342        | \$ 46,209        |
| Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities | \$ -             | \$ 134,687       |
| Weighted-Average Remaining Lease Term - Operating Leases                     | 3.6 Years        | 4.0 Years        |
| Weighted-Average Discount Rate - Operating Leases                            | 3.19%            | 3.31%            |

A maturity analysis of annual undiscounted cash flows for lease liabilities as of August 31, 2024, is as follows:

| <u>Year Ending August 31,</u>      | <u>Operating<br/>Leases</u> |
|------------------------------------|-----------------------------|
| 2025                               | \$ 17,478                   |
| 2026                               | 17,915                      |
| 2027                               | 18,363                      |
| 2028                               | 12,444                      |
| Total Lease Payments               | 66,200                      |
| Less: Interest                     | (3,691)                     |
| Present Value of Lease Liabilities | <u>\$ 62,509</u>            |



